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**UNITED STATES BANKRUPTCY COURT
 SOUTHERN DISTRICT OF NEW YORK**

In re:)	Chapter 11
)	
PURDUE PHARMA, L.P., et al.,)	Case No. 19-23649 (RDD)
)	
Debtors.)	(Jointly Administered)
)	
)	

**STATE OF MARYLAND’S ON-THE-RECORD RESPONSE TO
 DEBTORS’ OFF-THE-RECORD LETTER TO JUDGE DRAIN**

Two business days before the hearing on Appellants’ stay motions, Debtors have submitted to the Court by email a letter arguing that this Court should cancel the hearings on the motions, suggesting that, during negotiations, Debtors had offered Appellants a stay that provides them the relief that they and the public need to avoid irreparable harm. *See* Letter from B. Kaminetsky to Judge Drain of 11/5/2021 (Exhibit A).

Debtors’ off-the-record request is improper and misleading. Debtors offered proposals that glaringly left open their ability to cause irreparable harm, including by freeing them to argue that Purdue’s sentencing, which likely will incorporate obligations under the Plan, moots all appeals. These proposals were, for obvious reasons, not acceptable.

Debtors’ attempt to discuss with the Court the parties’ negotiations over these issues is an attempt, off-the-record, to prejudice the on-the-record hearing on the merits of the motions for stays. Although the Court repeatedly has demonstrated that it does not respond to such spurious

ad hominem finger-pointing by Debtors' counsel, contrary to Debtors' assertions, the State of Maryland has at all times been willing to reach agreement and joined in the U.S. Trustee's first proposal, even responding to an inquiry from Debtors regarding Maryland's position.

The Court should not cancel the hearing, unless it intends to immediately stay without hearing any and all current activity related to the Plan – including any effort to sentence Purdue, upon which Debtors clearly have rested their hopes. Although it is clear, as stated in Maryland's November 1, 2021 reply memorandum, that many of the issues originally presented to the Court are mooted by the district court's unappealed findings for Appellants on the likelihood of success on the merits and the balance of hardships (precluding any argument that the Plan may be allowed to go effective before the exhaustion of all appeals), the district court left open the possibility that this Court or it could enter a stay immediately to prevent immediate or imminent harm that may arise, including the potential criminal sentencing. For the reasons stated on pages 14 through 20 of Maryland's September 29, 2021 motion, irreparable harm to creditors will occur from Appellees' current activities, and the Court should enter an immediate stay.

There is no need to waste the Court's and the parties' time – to say nothing of the Estate's resources – on a status conference regarding these issues. The Court is set to hear the motions on Tuesday, November 9, 2021. If the Debtors do not wish to appear for those hearings, they should accept reasonable proposals that, consistent with the Court's recommendations, meet the needs of the Appellants and the public for a stay pending appeal.

November 5, 2021

Respectfully submitted,

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